

Travel Business Analyst

Markets + Marketing + Strategy

ASIA PACIFIC • JULY 2006

Airlines

Q1 2006

Growth in seats sold on the major airlines in Asia Pacific* slowed in the first quarter of this year – 2% compared with 13% in the same period in 2005 and 10% in 2004.

Table 1

Seats sold on AAPA airlines*, Q1

Airline	2006			2000 No,x1000
	No,x1000	Growth,%	AAGR*,%	
All Nippon AW	942	0.1	-0.6	978
Asiana AL	1749	7.0	10.9	941
Cathay Pacific	4018	10.7	6.3	2789
China AL	2298	6.2	4.4	1772
Eva AW	1511	7.2	7.9	960
Garuda	498	-7.9	-17.0	1523
Japan AL	3052	-8.4	-0.4	3132
Korean A	2742	3.9	5.4	2000
Malaysia AL	2081	-7.8	NA	NA
Philippine AL	806	4.4	7.7	516
Royal Brunei	263	13.9	2.0	233
Silk A	358	51.1	NA	NA
Singapore AL	4268	9.7	3.4	3487
Thai AW	3293	9.4	3.2	2731
Vietnam AL	783	12.2	18.9	277

Notes: 2000-06. A = Air, AAPA = Association Of Asia Pacific Airlines, AL = Airlines, AW = Airways, NA = not available. *Members of AAPA. Source: AAPA.

Japan agencies

Q1 2006

Growth in sales of Japan's top-50 outbound travel agencies increased 12% in the first quarter of this year. So business is good? Unfortunately no; the figures are still below those of 10 years earlier, perhaps by 20%!

Of the leading eight (well ahead of the others), all but HIS and Hankyu have fallen over this period. However, JTB has a number of other agencies (JTB World Vacations, JTB Traveland,

Q1 2006 international outbound sales of top-50 outbound travel agencies in Japan, US\$mⁿ*

Year	Sales (US\$m)	% Change
2006	5010	(11.5)
2005	4495	(10.0)
2004	4163	(-7.4)
2003	4088	(-1.8)
2002	3893	(-4.8)
2001	5239	(34.6)
2000	4647	(-11.3)

Notes: (% growth in brackets.) *Converted at US\$1 to ¥111. Source: Travel Journal International.

Given the low price incentives in the market – which should be stimulating market growth – this is not a good sign.

Two of the Big Three airlines (Singapore, Cathay, and Japan), however, are doing well. Singapore's growth is at 10%, Cathay's at 11%. JAL not only spoils the record, but its 8% decline could mean there will be a major corporate change at the airline – not just tweaking here and there, which is what it has done so far.

The growth pattern this decade (which includes non-travel-traumas such as 9/11, SARS, Bali bombings, and the tsunami) shows a slightly different pattern.

Among the bigger airlines

contd on p3

Main News

Corporate

Recent corporate developments – big or significant.

- Airbus in trouble. Its A380 delayed 6-7 months, second delay in 18 months. Now due early-2007, along with fewer deliveries in 2007 and 2008; but SQ may get one before end-2006. Also, for various reasons, the heads of Airbus and its main owning company, EADS, resign; EADS' Noel Forgeard would probably have been fired.
- Blackstone, which owns hotels, is buying the Cendant travel distribution system, now named Travelport.
- Cathay Pacific to buy out Dragonair; to double its ownership in Air China to 20%; and Air China to buy 10% of Cathay.
- Club Med gets new part ownership – the government of Morocco and Air France.

Market

Recent market developments – big or significant.

- World visitor arrivals up 4.5% Jan-Apr.
- Seats sold on airlines in Asia Pacific grew 2% in Q1.
- Sales of Japan's top-50 outbound travel agencies grew 12% in Q1.

JTB Business Travel Solutions) and their total added to the main JTB grew an average 2% over the past 10 years.

But the current growth is still not widespread or solid – so surely some in this leading group will go out of business? We have been asking this same question now for about three years. And our other questions are still the same.

- Why is JALpak, a Japan Airlines division, still falling? True, traffic at JAL is falling (down almost the same, 6.2% in Q1), but JALpak should be pulling in passengers for JAL.

The fact that it is not would seem to be the fault of poor management and marketing. But how can JAL accept this, when its own financial

contd on p3

MARKET OUTLOOK

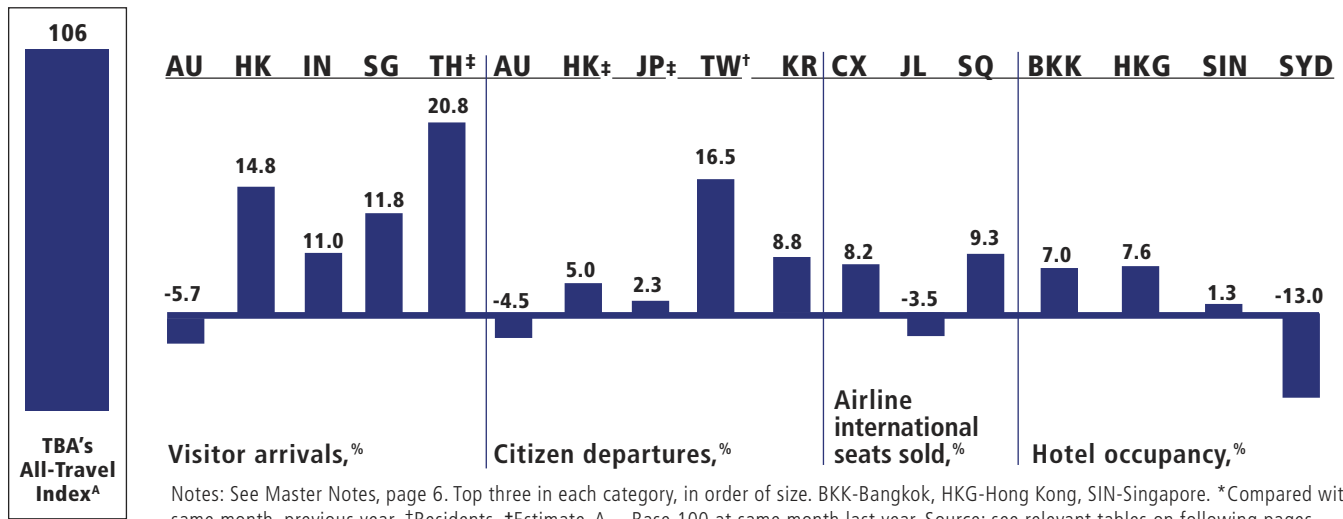
Headlines

Commentary on tables

- Barometer. Overall travel index at 6% above same month in 2005. Some good growth in visitors (but note this is compared with worst of tsunami months in 2005). Australia spoiling the averages – in inbound, outbound, and hotels.
- Inbound trends. No material change from last month.
- Outbound trends. No material change from last month.
- Forecasts. Series of new forecasts from the Pacific Asia Travel Association.

Barometer

Percentage growth in latest matching month* available; March 2006



Visitor arrival trends*, next 12 months

Source	Number, x1000
China	23,444
Hong Kong	25,461
Singapore	9,871
Thailand	11,663

Notes: *Statistical base on past performance; aggregates for latest 3 and 6 months, and full calendar year. Source: NTOs, Travel Business Analyst.

Citizen departure trends*, next 12 months

Source	Number, x1000
Hong Kong [†]	6,546
Japan	17,281
Korea	11,557
Taiwan	8,660

Notes: China monthly data not available. *Statistical base on past performance; aggregates for latest 3 and 6 months, and full calendar year. †By residence. Source: NTOs, Travel Business Analyst.

Official* travel industry forecasts

Item	Date [†]	Forecast	Source
China visitor arrivals ,2008	Apr	23m,8% AAGR	TBA
Hawaii visitor arrivals ,2008	Apr	8m,5% AAGR	PATA
Hong Kong visitor arrivals ,2008	Apr	12m,8% AAGR	TBA
India visitor arrivals ,2008	Apr	6m,14% AAGR	PATA
Japan visitor arrivals ,2008	Apr	8m,7% AAGR	PATA
Korea visitor arrivals ,2008	Apr	7m,6% AAGR	PATA
Malaysia visitor arrivals ,2008	Apr	11m,8% AAGR	TBA
Korea visitor arrivals ,2008	Apr	7m,6% AAGR	PATA
Singapore visitor arrivals ,2008	Apr	11m,8% AAGR	PATA
Thailand visitor arrivals ,2008	Apr	15m,7% AAGR	PATA
South Asia visitor arrivals 2004-8	Mar	up 10.6% AAGR	PATA
Southeast Asia visitor arrivals 2004-8	Mar	up 8.1% AAGR	PATA
Northeast Asia visitor arrivals 2004-8	Mar	up 6.9% AAGR	PATA
Laos visitor arrivals 2010	Jan	1.5m	NTO
Singapore visitor arrivals 2015	Jan	18m, up 7% AAGR	NTO
Singapore visitor spend 2015	Jan	\$19m, up 12% AAGR	NTO
Cambodia visitor arrivals 2007	Jan	2m, up 25%	NTO
Vietnam visitor arrivals 2010	Jan	6m, up 11% AAGR	NTO
Malaysia visitor spend 2007	Mar	\$13b, up 18%	NTO
Malaysia visitor arrivals 2007	Mar	20m, up 18%	NTO
Malaysia visitor arrivals 2010	Mar	23m, up 7% AAGR	NTO

Notes: All \$s are US\$. †When forecast made. Source: *Management statements or documentation from relevant authority.

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contd from p1 – airlines

(above 1mn in this period), fastest growth was at Korea's Asiana Airlines – although it is still only 60% the size of Korean Air.

Of the big three, Singapore's average annual growth has been 3%, half Cathay's rate, but JAL is smaller than it was at the start of the decade.

Garuda's decline is partly down-sizing – prompted partly by weaker business prospects and partly by a new business plan which called for a smaller airline. It is now one-third the size it was in 2000.

Table 2

Seats sold on Asia Pacific airlines*, Q1 2006

Year	No, x1000	Growth, %
2006	30248	2.1
2005	29612	13.0
2004	26199	9.6

Source: AAPA.

But a surprise is All Nippon's fall – slightly more than JAL's. But as ANA is a much smaller airline internationally than JAL, and it has strong service to the growing market of China, this indicates ANA is also weakened by Japan's weak outbound travel market.

Silk Air's growth has come about through some capacity growth and taking over some of its parent SIA's services.

Other market comment:

- Malaysia Airlines stopped giving data during part of its time in private ownership. But a new business plan has ended its hopeless attempt to match Air Asia, a low-fare airline based in Malaysia. So a fall at MA can probably be expected through this year, although that might not necessarily be bad for Malaysia's profits.

- Royal Brunei's growth follows a sizeable decline in 2005, so this result is more a correction.

Notes: *Members of AAPA.

contd from p1 – Japan agencies

position is so bad?

- Tokyu, whose main brand is Top Tours and which is the smallest of the top eight, continues with its slow vanishing act. Will it shut down, be sold, continue to decline, or turnaround?

Of the others:

- JTB seems to be pulling ahead again; in Q1 2005 it also grew, by 7%.

- HIS is still the star, and has held onto its No 2 position, having overtaken KNT

Table 1

Q1 2006 international outbound sales of leading outbound travel agencies in Japan, 1997-2006

Agency	2006				2005	2000	1997
	US\$m*	Growth, %	AAGR†, %	Share, %			
JTB	792	10.2	-3.4	16.7	718	930	1124
Other JTB	612	68.3	2.2‡	12.9	364	NA	NA
HIS	524	24.8	5.8	11.0	420	368	298
Hankyu	459	22.2	2.9	9.7	376	447	346
KNT	316	-3.3	-5.5	6.6	327	417	555
NTA	315	16.0	-1.1	6.6	272	261	351
NEC	259	4.7	-1.3	5.5	248	239	294
Jalpak	196	-6.4	-3.8	4.1	209	263	289
Tokyu	88	1.5	-6.1	1.8	86	130	164

Notes: AAGR = annual average growth rate, JTB = (originally Japan Travel Bureau), HIS = (originally Hideo's International Services), KNT = Kinki Nippon Tourist, NEC = Nippon Express Company, NTA = Nippon Travel Agency. *Converted at US\$1 to ¥116. †1997-2006. ‡JTB and other JTB agencies. Source: Travel Journal International, Travel Business Analyst.

in 2001 then Hankyu in 2004. Growth this Q was above the 12% growth in Q1 2005.

- Hankyu showed good growth; overcoming its surprising 1% decline in Q1 2005.

- KNT fell 14% in Q1 2005, and now another 3% in Q1 2006. If this is not reversed in Q2, then the company would seem to be in serious trouble.

- Both NTA and NEC are growing.
- (Jalpak and Tokyu; see earlier.)

To/from Europe

Q1 2006

Air traffic to-and-from the main markets in Europe to/from Asia Pacific in the first quarter was mixed – a few declines as well as some big growths.

But then the overall trend in growth was not much, see table – 3% in Germany, 4% in UK, although it may have been

around 5% in France (Jan-Feb was 5%).

For traffic to/from Asia Pacific (only the destinations listed) growth was 10% for France, 6% for Germany, and 15% for the UK.

The continuing decline of Japan is a surprise – given the size and purchasing power of its population, and the size of its economy. Although there was growth to/from France, there were declines to/from Germany and the UK.

Some markets show surprising movement, including:

France. To/from Japan still moving slowly, but Japan's leading position unlikely to change this year. China is second largest in the region, and that is growing faster, at 12%, but third-place India is growing faster, 34%, and may overtake China this year.

Germany. Two of the top three markets – India and China – were slow movers, even though these are generally as-

Air passengers Europe-Asia Pacific, Q1 2006

From	France*		Germany		UK	
	To	No, x1000	Growth, %	No, x1000	Growth, %	No, x1000
Australia	na	na	25	-7.1	304	-5.7
China	210	11.9	268	3.8	114	37.2
Hong Kong	110	5.6	133	-1.8	339	17.1
India	188	34.0	303	0.1	644	54.0
Indonesia	na	na	6	7.4	na	na
Japan	300	3.0	234	-0.7	272	-6.3
Korea	70	10.0	118	4.4	56	-2.3
Malaysia	33	-8.6	39	-7.6	153	-11.3
New Zealand	na	na	na	na	46	-3.5
Philippines	na	na	38	42.5	na	na
Singapore	104	7.6	179	4.3	303	6.2
Taiwan	21	7.1	28	19.1	42	72.6
Thailand	112	9.2	333	20.9	169	-11.7
Total-AsPact	1148	10.2	1679	5.6	2138	15.0
TOTAL	11600*	4.7*	25104	3.0	37162	3.6

Notes: *Paris airports only; total is Jan-Feb. †Aspac = Asia Pacific markets shown here. Source: Aeroports de Paris (France), Statistisches Bundesamt (Germany), Civil Aviation Authority (UK). Contacts: Germany – luftverkehr@destatis.de, www.statistik-bund.de.

sumed to be fast-moving markets.

However, the largest, Thailand, increased 21% – although part of this was recovery from a post-tsunami decline in 2005.

UK. The India market, despite being the region's largest, increased at an astonishing 54% – thanks to liberalisation on the routes. It is now almost double the next largest, Hong Kong, which also grew fast, taking it past a declining Japan.

The Thailand market is in trouble, with a 12% decline – even though this was compared with the immediate post-tsunami period. Traffic this year was down on 2004 as well, and has been in decline since 2003.

Visitor arrivals

Up 4.5%

The number of visitors around the world is estimated to have increased 4.5% in the first four months – January up 4%, February 4%, March down 1%, April up 11%.

(Easter Holidays caused some distortion as it was in March in 2005, but April in 2006.)

But the details are not so comforting. Only Asia Pacific matched its all-year result, and even that is less good when seen against the same 2005 period – which was reduced by destinations damaged by the tsunami at end-2004.

Possibly 2% of that 7.5% growth would be tsunami-recovery. Figures are not clear because some traffic was diverted – travelling to Fiji rather than Phuket, for instance.

The Americas was half its all-2005 growth, and Europe was not much better.

In key destinations (not necessarily the largest), signals were mixed:

- In Asia Pacific, all except Australia seem to be doing well. (There are no figures for Thailand, but arrivals through Bangkok airport grew 26% and the overall figures will be compared with poor post-tsunami counts in Q1 2005).

The WTO's China counts are based on its own (unrevealed) formula, but these growths look slow. And Hong Kong is boosted by technically-domestic arrivals from China (which the WTO still lists as international arrivals).

- Of the other destinations, Spain (what we regard as the leading destination) is showing strong results. France is in decline, possibly because of continuing social disruptions (strikes, demonstrations, occasional riots). Although these are not dangerous – as a terrorism attack, for instance – travellers probably do fear their travels will be disrupted.

Percentage growth* in visitor arrivals

	2006	2005*
Asia Pacific	7.5	7.4
Americas	2.7	5.8
Europe	2.5	4.3
World	4.5	5.5

Notes: Jan-Apr. *Full year. Source: World Tourism Organization.

That seems to be supported by the UK counts, up a strong 8% – despite the London bomb attacks one year ago.

Germany also increased strongly, by 6%. But although many will expect soccer's World Cup to boost this, that may not happen – explained by our BEB theory*. Some of that growth may be from travellers (including business travellers) wanting to get in their trip before the World Cup.

North America is in trouble. Mexico down and the US static. Given terrorism-related entry barriers, the US will find it hard to get much growth.

Our Middle East destinations look good, but Egypt will probably suffer as the year goes on with collateral image problems related to Israel/Palestine struggles. UAE is separated from this, and growth will be heavily related to continued growth at two of the three dynamic airlines strong in the region (Emirates and Etihad, based in the UAE, and Qatar Airways).

(*Travel Business Analyst has a semi-serious theory, *Big Event Blues*, suggesting that momentous international events actually reduce visitor arrival totals. Although these events attract international visitors, many traditional travellers (such as business travellers and even holidaymakers) will stay away from that destination just before, during, and just after the event. They assume that there will be too much disruption to normal movement in the destination. In general, they are

right – not only is movement curtailed, but many prices are higher.)

China/Hong Kong Individual effort

Growth in the number of individual leisure travellers from China into Hong Kong levelled off in 2005. Started in July 2003, there were 670,000 arrivals counted in Hong Kong under the scheme (known as the 'Individual Visit Scheme'), see Table 1.

That increased five-fold in 2004 over the whole year – or three-fold over the months July-December – but growth slowed to 30% in 2005, although the figure reached a substantial number, 5.6mn. The IVS was a support-scheme proposed by China to help Hong Kong recover from the damage to its visitor business caused by the SARS pandemic, which was at its most damaging in March and April 2003.

Only Hong Kong and Macau have been given this IVS benefit. All other designated destinations are, in theory, allowed to receive leisure travellers only in groups under China's ADS ('Approved Destination Status') scheme.

However, ADS has been liberalised for some receiving destinations, and a 'group' can be as few as two people. Also, some receiving destinations are limited to travellers from certain regions in China – say Beijing, Guangzhou, and Shanghai. But others can now seek travellers from all parts of China.

Likewise for the IVS for Macau and Hong Kong. Originally for travellers just from neighbouring Guangdong province, it has been extended, and in 2005 it was expanded to cover 34 cities in China.

Individual visitors* in Hong Kong from China

Item	2005	2004	2003
Jan-Dec, mn	5.55	4.26	0.67
Growth, %	30.3	538.4	na
Jul-Dec, mn	3.01	2.66	0.67
Growth, %	13.3	298.0	na

Notes: *Under the 'Individual Visit Scheme', where travellers can travel for leisure as singles; started July 2003. Source: Hong Kong Tourism Board.

Table 1

Growth in selected world visitor destinations, 2006

Destination	Growth, %	Jan-
Australia	-0.5	Apr
China	3.6	Mar
Egypt	3.0	May
France	-0.2	May
Germany	5.8	Apr
Hong Kong	11.5	Apr
Italy	4.6	Mar
Mexico	-2.2	Apr
Spain	6.1	May
Thailand	NA*	Apr
UAE	7.3	Mar
UK	8.4	Apr
US	0.5	Mar

Notes: Greece NA. *But arrivals through Bangkok airport through March increased 26%. Source: World Tourism Organization, Travel Business Analyst.



Net Value

Marketing Travel On The Internet

Online survey

Carlson Wagonlit Travel's global business travel survey findings on online booking include:

- **Europe.**

– The region has the highest proportion of business travellers who never book online – 32%. Most-common reason was 40% saying they have a personal assistant who books most of their business travel. 12% say they prefer the personal touch of an agent. However, nearly one-third use online booking 61-100% of the time.

– 90% of business travellers and 87% of travel managers expect nearly-all bookings online in five years.

- **Asia Pacific.** CWT found 75% of travellers in Japan book 40% of their business travel online. The share in Australia was 55%, in China 23%, and India 17%. This seems so much higher than reality as to be almost laughable. This seems another example of travellers telling researchers what they believe they want to hear.

Bites

- **Air New Zealand** is achieving 16,000 bookings per day, worth US\$2mn (NZ\$3mn) worth of daily business. Over half its domestic bookings are now made online.

- IPK says internet use for travel by **Germany** residents in 2005 was 43% of trips, up 12%. That was made up of 26% booking, up 35%, and looking (information) 17%, down 10%.

- In 2005, Germany-based tour wholesaler **TUI** sold 15% of its business over the internet.

This is an extract from **Net Value**, a monthly report on marketing travel on the internet. A combination subscription to NV costs US\$50 for one year; full price is US\$100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@aol.com



People-in-Travel

Tracking Travel's Leaders

Barbs from Bisignani

In the past we have criticised Giovanni Bisignani, head of IATA, in his previous positions – head of Alitalia followed by the then-airline-owned OTA (online travel agency) Opodo.

We have also criticised some early comments in his time at IATA – as being protectionist and illiberal.

But there has been an enormous about-turn. We now feel he is leading IATA, and thus airlines, into an era of great change, with great confidence – and with sound ideas and policies.

• There is insufficient space here to show the rest of this report. Subscribers wishing to see the full report, please email TBAoffice@gmail.com.

This is an extract from **People-in-Travel**, a monthly report tracking travel's leaders. A combination subscription to PinT costs US\$50 for one year; full price is US\$100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@aol.com

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- UK business travel.

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See back page for more offers.

Headlines

Commentary on tables pages 6-10

Aviation.

T1. City-pair results. Kuala Lumpur added, resulting in different presentation (three columns for each market, showing % growth for the month and YTD, and actual figure YTD. Q1 for Tokyo; down are Korea, Pacific and Oceania, and Southeast Asia not moving, leaving only China and Europe in growth.

T2. Country-pair results. Q1 for France, Germany, and UK. Review in Market Intelligence – but Germany up 3%, UK 4%, and France about 4%.

T3. Q1 for Air Macau (up 16%), Malaysia (down 8%); review in Market Intelligence.

T10. Traffic for airports for start of 2006 indicates there was diversion to Pacific resorts post-tsunami – Fiji, Noumea, and Tahiti all down. Q1 for Hong Kong (good).

T11. Q1 for AAPA airlines; review in Market Intelligence, but declines for Garuda, Japan, and Malaysia.

T12. AAPA airlines; review in Market Intelligence.

Inbound.

T8. Running 12-month total status at end of Q1 this year; China (up 15%), Hong Kong (up 8%), Singapore (up 9%), Thailand (up 8%). **T9.** Q1 visitor arrivals for Australia (bad), Cooks, India (good), Korea (bad), Macau (good), PNG, Philippines (good).

Outbound.

T6. Running 12-month total including Q1 of this year; China (up 6%), Japan (down), Korea (strong 15% growth), Taiwan (up 6%). **T7.** Outbound UK and US added. Q1 for Australia (bad), Japan (bad), Korea (great), Taiwan (good). Full year for Macau, Singapore (bad).

Hotels.

T18. For YTD, Asia Pacific occupancy down 1 point to 71%, average rate up US\$10 to US\$125, helping push yield up US\$7 to US\$92.

Others.

T5. Stock prices bad – all down. True, markets were down as well, but 7 airline stock bettered their markets, and one hotel stock matched its market, the other bettered it.

T13. Results of IATA travel agencies for 2005; Asia Pacific locations up 1%, sales 12%, and sales per agency up 11%. Review due in August issue.

T14. Q1 for leading travel agency groups in Japan; review this issue.

T16. Economic results for Q1.

T17. Economic results for Q1.

Special.

India outbound.

MARKET DATA

For a copy of a document showing how to get the best out of these tables, subscribers should circle this paragraph and mail to us, and separately send a cheque for "International Committee of the Red Cross" for a token amount in any currency to ICRC, 19 Ave de la Paix, CH-1202 Geneva, Switzerland

Special

India outbound

PATA forecasts rapid growth for some of India's top-10 outbound travel destinations* . Travel to Australia, Hong Kong, and Singapore, see table, is forecast to grow 20% annual average growth rate 2003-07.

This looks high, particularly for Singapore, because it is the leading destination – which is almost twice the size of travel to Hong Kong and six-times Australia . Helping Singapore grow that fast will be growth in air routes between the two, particularly by low-fare airlines.

Missing from PATA's list of destinations is the UK, which is probably in the top five.

The other surprise is PATA's forecast of much-slower growth for the three regional destinations – Bangladesh, Nepal, and Sri Lanka. As these are a mixture of travel types, this forecast could assume growth is going to be primarily in leisure travel.

Notes: *As shown; UK not listed.

Forecast outbound travel from India

India to:	2007	Growth,%	AAGR*,%	2006	Growth,%
Singapore	636,954	7.9	19.8	590,106	6.6
Thailand	447,010	5.6	18.0	423,500	10.2
Hong Kong	369,610	14.6	20.0	322,557	14.5
China	367,260	2.7	13.8	357,658	1.6
US	364,170	4.3	7.6	349,190	8.5
Malaysia	260,103	11.1	15.6	234,040	8.7
Sri Lanka	120,494	5.4	7.4	114,361	6.6
Nepal	112,420	5.2	6.8	106,900	7.5
Bangladesh	104,540	5.9	5.4	98,761	5.6
Australia	93,047	13.3	19.5	82,112	12.1

Notes: *AAGR = 2003-07. Destinations as shown by PATA. Source: Pacific Asia Travel Association.

1 Air passenger* traffic to and from major Asia Pacific centres, x1000

From:	Kuala Lumpur		Singapore		Sydney		Tokyo*								
	Jan 06	YTD	Apr 06	YTD	Feb 06	YTD	Mar 06	YTD							
To:	+/-,%	06	+/-,%	06	+/-,%	06	+/-,%	06	+/-,%						
Bangkok	14.9	89	14.9	Indonesia	9.4	1095	1.5	Auckland	-4.1	222	-4.8	Pacific	-5.6	5564	-5.5
Hong Kong	23.6	61	23.6	Malaysia	5.5	775	5.0	Bangkok	18.0	94	18.5	Oceania	-5.0	1073	-6.0
Jakarta	8.4	72	8.4	Thailand	8.0	1211	16.5	Denpasar	-44.5	16	-42.7	SE Asia	-0.9	6970	0.0
London	22.0	43	22.0	Hong Kong	7.9	686	3.7	Hong Kong	10.3	148	8.1	China	4.5	3669	3.7
Shanghai	46.9	22	46.9	Japan	6.0	553	5.8	London	3.2	84	5.4	Korea	-0.9	2232	-1.3
Singapore	-4.4	128	-4.4	UK	4.6	441	-0.1	Los Angeles	5.9	116	3.5	Europe	3.7	2854	3.0
Sydney	8.2	36	8.2	Australia	12.3	1224	6.1	Singapore	4.7	168	2.2				
Tokyo	16.8	31	16.8	US	7.3	242	2.3	Tokyo	-1.0	89	-6.4				
TOTAL	20.5	1220	20.5	TOTAL	12.0	10515	11.0	TOTAL	3.3	1753	2.4	TOTAL	-1.4	23313	-1.4

Notes: See Master Notes, this page. Routes are selected; may not be largest. *Flights from Tokyo Narita, not passengers; double for approximate city-pair total. Source: Airports Authority of Thailand, New Tokyo International Airport Authority, Civil Aviation Authority of Singapore, Department of Transport and Communications (Australia).

2 Air passengers to and from Asia Pacific, x1000

From	Australia		France*		Germany		UK		US						
	Feb 06	YTD	+/-,†	Mar 06	YTD	+/-,†	Mar 06	YTD	+/-,†	Dec 05	YTD	+/-,†			
To	+/-,†	06	%	+/-,†	06	%	+/-,†	06	%	+/-,†	05	%			
Australia	na	na	na	na	na	na	-1.8	25	-7.1	-4.2	304	-5.7	10.8	1597	6.3
China	9.5	108	4.4	15.3	210	11.9	7.8	268	3.8	37.4	114	37.2	23.9	1405	34.4
Hong Kong	4.4	309	5.5	7.0	110	5.6	1.7	133	-1.8	12.7	339	17.1	22.3	1776	13.8
India	-16.4	11	-10.8	25.6	188	34.0	-1.0	303	0.1	48.1	644	54.0	147.1	298	21.3
Indonesia	-42.5	67	-44.0	na	na	na	-6.9	6	7.4	na	na	na	-54.6	19	-27.0
Japan	-1.3	312	-3.8	3.2	300	3.0	-0.2	234	-0.7	-5.3	272	-6.3	1.5	12111	2.5
Korea	-9.9	74	-8.5	5.2	70	10.0	5.1	118	4.4	-2.0	56	-2.3	3.8	2762	6.2
Malaysia	-7.2	205	-3.7	-17.6	33	-8.6	-15.3	39	-7.6	-17.7	153	-11.3	31.3	103	11.2
New Zealand	1.9	853	0.8	na	na	na	na	na	na	-3.7	46	-3.5	3.4	823	-6.1
Philippines	-5.0	25	-11.2	na	na	na	26.5	38	42.5	na	na	na	-5.9	727	-6.8
Singapore	5.2	618	5.8	4.8	104	7.6	2.7	179	4.3	-0.6	303	6.2	18.2	367	6.3
Taiwan	-14.2	41	-7.0	6.7	21	7.1	16.4	28	19.1	73.1	42	72.6	27.8	2068	11.2
Thailand	12.2	162	15.0	7.7	112	9.2	9.1	333	20.9	-13.8	169	-11.7	-4.3	130	37.9
TOTAL	2.2	3706	2.0	4.6*	11600*	4.7*	1.4	25104	3.0	1.2	37162	3.6	0.9	117647	2.7

Notes: *Paris airports only; total is month earlier. †Over same period, year earlier. Source: Department of Transport and Communications (Australia), Aeroports de Paris (France), Statistisches Bundesamt (Germany), Civil Aviation Authority (UK), US Department of Commerce (US).

Contacts: Germany - fax (49-0611)-724000, luftverkehr@destatis.de, www.statistik-bund.de; US (for International Trade Administration, Tourism Industries), www.tinet.ita.doc.gov

Master Notes: Exchange rates (start of previous month) - US\$1 to A\$1.33, Y8.03, HK\$7.76, ¥112, W946, MR3.63, NZ\$1.57, S\$1.58, NT\$32.0, B38.2. AL = Airlines, ASK = available seat kilometre, AW = Airways, BI = Royal Brunei AL, BR = Eva AW, CI = China AL, CX = Cathay Pacific AW, E = TBA estimate, GA = Garuda, HK = Hong Kong, ID = Indonesia, IN = India, J-D = Jan-Dec, JL = Japan AL, JP = Japan, KE = Korean Air, KR = Korea, LF = load factor, MH = Malaysia AL, MI = Silk Air, MY = Malaysia, NA = not available, na = not applicable/nil, NH = All Nippon AW, NZ = Air New Zealand, OZ = Asiana, P = provisional, Pax = passenger, PH = Philippines, PR = Philippine AL, RPK = revenue passenger kilometre, Q = quarter (of year), QF = Qantas AW, SF = seat factor, SG = Singapore, SQ = Singapore AL, SS = seats sold, TG = Thai AW, TH = Thailand, TW = Taiwan, VN = Vietnam AL, YTD = year-to-date.

MARKET DATA

3 Traffic on international routes of selected Asian airlines, 2006

Low-fare airline traffic * 2006

Airline	Mth	SS	+/-	RPK	+/-	Jan	SS	+/-	ASK	+/-	RPK	+/-	SF	+/-	Systemwide		
															1000	%	mn
Systemwide															SS,x1000	556	2051
Air Macau*	Mar	186	29.5	221	28.2	Mar	532	15.7	921	14.9	665	23.2	72.2	4.9	Growth,%	33.0	25.1
Cathay Pacific	May	1339	8.8	5694	12.1	May	6752	11.1	36572	10.9	28637	11.7	78.3	0.6	SF,%	76.2	74.4
China Southern	May	3935	7.2	5513	9.3	May	18842	12.3	37611	7.9	26686	12.7	71.0	NA	Virgin Blue Apr Jan-Apr		
Dragonair*	Apr	481	11.5	614	12.1	Apr	1716	10.9	3455	10.3	2233	10.9	64.6	0.3	SS,x1000	556	4598
Eva Air	Apr	511	3.8	1946	5.7	Apr	2023	6.4	10217	7.7	8056	8.2	78.8	0.4	Growth,%	33.0	7.1
Jet AW	Mar	915	na	974	na	Mar	2675	na	3906	na	2813	na	72.0	na	SF,%	76.2	77.3
Royal Brunei	Mar	103	13.1	319	12.9	Mar	308	13.7	1351	2.3	984	12.0	72.9	6.3			
Singapore AL	Apr	1468	11.8	7065	11.3	Apr	5725	10.0	36424	3.5	27951	9.5	76.7	4.2			
International															Air Asia		
Australian	Apr	56	-11.1	259	-11.9	Apr	234	-9.3	1774	-7.4	1164	-8.8	65.6	-1.0	Indonesia: Mar	Jan-Mar	
China AL	Mar	787	4.2	2724	5.9	Mar	2297	6.1	10429	5.3	7942	7.1	76.1	1.3	SS,x1000	124	313
China Southern	May	NA	NA	795	13.7	May	NA	NA	5960	4.4	3912	8.3	65.6	NA	Growth,%	175.8	160.9
Japan AL	Apr	952	-1.8	4585	-4.9	Apr	4156	-5.2	28435	-9.5	20453	-4.8	71.9	3.6	Malaysia:		
Korean Air	Dec	884	-1.4	3683	0.8	Dec	11238	8.2	62873	7.8	45315	7.6	72.1	-0.2	SS,x1000	557	1560
Malaysia AL	Mar	722	-11.7	3240	-13.2	Mar	2081	-7.8	13763	-4.7	9443	-10.5	68.6	-4.5	Growth,%	39.9	41.9
Qantas AW	Apr	701	-0.3	4713	5.2	Apr	2789	-4.1	24166	0.8	18998	1.5	78.6	0.5	Thailand:		
Thai AW	Feb	1068	11.9	4044	15.9	Feb	2204	11.1	10983	5.6	8481	16.3	77.2	7.1	SS,x1000	246	659
															Growth,%	62.2	60.7

Notes: See Master Notes, page 6. pts-points. *Domestic and international. †Growth against earlier period. Virgin is booked loads, including free passengers; Jetstar paid travelled passengers only (add 4-5 points for others); Air Asia does not specify. Source: companies.

4 Airline financial results, US\$*

Item	CX	JL	KE	QF group	SQ
Revenue,mn	6236	18959	7531	9582	8135
Op Profit,mn	1274	-232	429	850	740
Revenue per					
ASK,USc*	7.53	12.8	11.0	8.41	7.43
RPK,USc*	9.57	18.9	15.4	11.02	9.83
Pax,US\$*	404	327	347	293	479
Profit per					
ASK,USc*	1.54	-0.16	0.63	0.75	0.68
RPK,USc*	1.96	-0.23	0.88	0.98	0.89
Pax,US\$*	82.5	-4.00	19.8	26.0	43.5

Notes: See Master Notes, page 6. Although these figures show indicative comparisons between airlines, they do not provide precise comparisons because of different definitions. Op = Operating, USC = US cents, Y = year. *See Master Notes for approximate conversion rate. Source: companies.

5 Stock market last-day airline and hotel closing prices

Airline/ Hotel	Price, local currency				Growth†,%	TBA 100 index*	
	Dec 05	Apr 06	May 06	stock		market	AL
Air China	2.50	3.38	2.95	-12.6	-7.2	98	146
Air NZ	1.28	1.31	1.24	-5.3	-3.3	5	8
All Nppn AW	480	430	418	-2.8	-8.8	21	31
Cathay P AW	13.7	13.5	12.8	-5.2	-7.2	161	238
China AL	15.3	15.7	14.8	-5.4	-6.5	30	44
Japan AL	321	303	298	-1.7	-8.8	18	26
Malysn AL	2.84	2.99	2.95	-1.3	-4.0	30	45
Qantas AW	4.07	3.33	3.15	-5.4	-6.5	144	214
Singpre AL	12.7	14.0	12.4	-11.4	-9.8	84	125
Thai AW	43.0	47.3	45.0	-4.8	-9.5	83	123
Mndrn-Orntl	0.86	1.22	1.10	-9.8	-9.8	na	na
Shangri-La	12.5	15.5	15.2	-1.9	-7.2	na	na

Notes: See Master Notes, page 6. *100 base on Jan 90 prices except Jan 93 for NZ and TG, Jan 95 for CI, Jan 96 for QF, Dec 04 for CA. †Latest month over month earlier. Source: various.

6 Running 12-month total citizen departures, x1000

12 mths through	CN†	+/- %	JP	+/- %	KR	+/- %	TW	+/- %
Dec 90	620	24.0	10,997	13.8	1,561	28.7	2,942	39.6
Dec 00	10,473	13.4	17,812	8.9	5,508	27.0	7,329	11.7
Dec 05	31,067	9.0	17,401	3.5	10,078	14.2	8,208	5.5
Mar 06	31,767	5.8	17,355	-0.3	10,481	14.9	8,357	5.7

Notes: See Master Notes, page 6. †Estimates by Travel Business Analyst. Source: NTOs, Travel Business Analyst.

7 Overseas travel by Asia Pacific residents

Market	Jan* thru:	Departures	Growth %	Source	Spend US\$m*
Australia	Dec	4,754,046	8.8	PATA	9,407
	Mar‡	1,003,371	-0.6	PATA	9,407
China	Dec†	28,850,000	42.7	PATA	15,187
	Dec	31,026,000	7.5	PATA	15,187
Hong Kong	Dec	72,299,897	4.9	PATA	NA
	-A	Dec	5,785,756	15.4	NTO
India	Dec 03	5,400,000	10.2	PATA	2,255
	Dec†	6,200,000	14.8	PATA	2,255
Indonesia	Jun	1,563,292	4.8	PATA	3,082
	Japan-B	Dec	17,401,084	3.5	PATA
Korea-B	Mar‡	4,313,000	-1.1	NTO	38,103
	Dec	10,077,619	14.2	NTO	9,499
Macau	Mar‡	2,753,801	17.2	NTO	9,499
	Dec	628,555	26.1	PATA	71
New Zealand	Mar‡	322,361	-1.3	PATA	2,360
Philippines	Aug	1,360,506	13.1	PATA	632
Singapore-D	Dec†	5,164,906	22.3	NTO	4,925
	Dec	5,159,403	-0.1	NTO	7,744
Taiwan-B	Dec	8,208,206	5.5	NTO	8,170
	Mar‡	2,028,991	7.9	NTO	8,170
Thailand	Oct	2,536,760	12.3	PATA	3,495
	Dec	66,251,000	3.2	NTO	55,930
US	Dec	38,051,614	5.3	PATA	65,635

Notes: See Master Notes, page 6. *2005 unless stated otherwise. †2004. ‡2006. A = Excludes travel to China and Macau. B = Citizens. D = Excludes departures by land. Source: NTO-national tourist office, Ot-Other, PATA-Pacific Asia Travel Association.

Notes: *Quoted in US dollars for latest whole year; may not match period in other columns. Source: World Tourism Organization.

8 Running 12-month total visitor arrivals, x1000

12 mths through	CN	+/- %	HK	+/- %	SG	+/- %	TH	+/- %
Dec 90	1,747	19.6	5,933	10.7	5,313	10.0	5,299	10.2
Dec 00	10,160	20.5	13,059	16.5	7,686	10.5	9,579	10.7
Dec 05	20,255	19.6	23,359	7.1	8,933	7.3	11,759†	0.2†
Mar 06	20,763†	15.4†	24,116	7.9	9,220	8.7	12,342	7.9

Notes: See Master Notes, page 6. †Estimate by Travel Business Analyst. Source: NTOs, Travel Business Analyst.

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9 Visitor arrivals in Asia Pacific destinations

International arrivals

Destination	Months* Jan thru:	Arrivals	Growth %	Stay days‡	PVPD US\$-A
Australia	Dec	5,496,987	5.4	27.0	69.87
	Mar‡	1,431,240	-2.6	27.0	69.87
Bangladesh	Dec†	271,270	10.9	5.0	50.00
Bhutan	Dec†	9,249	47.7	5.0E	230.19E
Cambodia	Apr‡	600,374	18.9	5.0	200.00
China	Dec	120,292,255	10.3	7E	100E
foreigners	Dec†	16,932,506	48.6	7E	79.13
	Dec	20,255,178	19.6	7E	100E
Cook Islands	Dec	87,449	5.0	5.0	115.84
Fiji	Dec	544,536	8.8	7.5	124.58
Guam	Dec	1,227,587	5.8	4.0	302.93
Hawaii	Dec	7,379,635	7.1	11.4	179.98
	Mar‡	1,802,097	-1.9	11.4	179.98
Hong Kong	Dec	23,359,417	7.1	3.6	79.13
	Apr‡	8,353,504	12.7	3.6	79.13
India	Dec	3,915,324	13.2	27.0	46.62
	Mar‡	1,280,524	12.1	27.0	46.62
Indonesia	Mar‡	871,817	-13.1	10.0	231.71
Japan	Dec	6,730,519	9.7	9.4	96.95
	Mar‡	1,714,000	7.6	9.4	96.95
Korea	Dec	6,021,764	3.5	6.3	163
	Mar‡	1,396,331	-4.9	6.3	163
Laos	Dec	1,095,315	22.4	5.0	23.03
Macau	Mar‡	2,494,150	18.3	1.2	141.65
Malaysia	Dec	16,431,055	4.6	4.8	76.95
	Jan‡	1,453,803	4.3	4.8	76.95
Maldives	Apr‡	223,652	96.9	8.8	56.00
Marianas	Jan‡	39,500	-21.4	1.0E	100.00E
Myanmar	Dec	232,221	-4.0	7.3	70.00
Nepal	Apr‡	81,601	13.3	10.0	14.09
New Caledonia	Feb‡	14,916	-6.5	5.0	235.95
New Zealand	Dec	2,382,950	1.5	19.2	115.33
	Apr‡	921,599	1.4	19.2	115.33
Pakistan	Dec	798,260	23.2	5.0	68.06
Palau	Dec	40,425	-6.8	NA	NA
PNG	Mar‡	15,754	-4.9	5.0	255.48
Philippines	Mar‡	726,912	13.0	8.9	132.26
Singapore	Dec	8,932,991	7.3	2.7	327.87
	Apr‡	3,128,055	14.6	2.7	327.87
Sri Lanka	Feb‡	104,918	40.2	9.8	57.00
Tahiti	Mar‡	45,146	-3.7	5.0	223.98
Taiwan	Mar‡	859,884	7.5	7.3	212.10
Thailand	Dec	11,726,262	14.8	9.2	111.44
	Oct‡	9,249,469	-2.6	9.2	111.44
Tonga	Dec†	17,959	0.8	5.0	56.87
Vanuatu	Dec	125,635	26.5	5.0	146.17
Vietnam	Dec	3,467,758	17.6	5.4	200.00
	Apr‡	1,301,080	17.2	5.4	200.00

International arrivals

City/region	Period	Number	Growth,%	Source	Comment
Bali	Jan-Apr 06	341,146	-21.8	PATA	direct arrivals
Jakarta	2002	1,267,106	14.0	CTO	none
Sabah	2005	761,094	-3.9	PATA	direct arrivals
Sarawak	Jan-Jun 05	1,145,395	9.6	PATA	direct arrivals

Domestic arrivals

Destination	Period	Number	Growth,%	Source	Comment
Australia	2002	75.3m	1.0	NTO	overnights
Malaysia	2001	15.8m	NA	NTO	1998: 8.32m
Thailand	2001	60m	NA	NTO	2002: up 2%
Vietnam	2005	16m	10.3	NTO	1995: 6.9m

Notes: See Master Notes, page 6. *2005 unless stated otherwise. †2004. ‡2006. Source: national tourist offices, PATA.

Notes: See Master Notes, page 6. Latest figures; may not tally with period. PVPD-per visitor per day. *Figure for period as shown. †In nights for Australia, Bangladesh, Guam, Hong Kong, Korea, Macau, Maldives, Philippines, Sri Lanka, Switzerland, Taiwan and UK. A = Converted at current rates. Source: national tourist offices, PATA, WTO.

10 Asia Pacific international airport passengers

City	Month*	Number	Growth %	Jan thru month shown	Growth %
Bali	Jan‡	180,388	-24.2	3,031,629	1.1
Bangkok	Dec	2,509,289	2.1	26,821,227	3.9
	Jan‡	2,560,258	23.1	26,821,227	3.9
Beijing	Dec	750,632	14.7	9,367,303	12.6
	Jan‡	758,124	21.2	9,367,303	12.6
Brisbane	Feb‡	265,805	2.4	598,033	3.0
Chennai	Jan‡	236,394	14.7	2,495,956	7.8
Colombo	Jan‡	445,385	42.8	4,325,710	6.3
Delhi	Jan‡	546,708	20.0	5,291,778	17.1
Guangzhou	Jan‡	272,873	14.2	3,213,838	12.4
Hong Kong	Dec	3,580,000	7.0	40,743,000	9.7
	Mar‡	3,547,000	7.0	10,327,000	9.3
Jakarta	Jan‡	517,602	0.1	5,799,061	6.1
Kuala Lumpur	Jan‡	1,220,444	20.6	14,337,805	14.9
Macau	Jan‡	323,282	11.6	4,210,156	13.4
Male	Jan‡	159,227	172.0	1,015,410	-28.8
Manila	Jan‡	873,170	11.4	9,222,006	9.6
Melbourne	Feb‡	345,046	0.6	755,765	-0.1
Mumbai	Jan‡	609,284	6.5	5,988,791	11.9
Nadi	Jan‡	107,736	-0.9	1,224,086	9.4
Noumea	Jan‡	44,305	-1.4	407,523	5.2
Osaka KIX	Dec	898,900	-1.6	11,169,200	3.5
	Feb‡	843,500	-3.6	1,752,200	-3.7
Papeete	Jan‡	52,388	-4.1	637,732	1.7
Perth	Jan‡	189,412	0.5	189,412	0.5
Phnom Penh	Jan‡	85,348	18.3	858,273	7.5
Phuket	Jan‡	182,227	705.2	878,951	-55.0
Seoul	Dec	2,190,799	5.3	26,535,623	9.5
	Jan‡	2,352,398	6.8	26,535,623	9.5
Shanghai	Dec	1,178,681	0.5	14,548,377	13.2
	Jan‡	1,188,455	4.9	14,548,377	13.2
Singapore	Dec	2,801,076	3.3	29,327,699	7.0
	Apr‡	2,850,395	11.3	11,261,594	12.3
Sydney	Dec	902,372	2.4	9,507,538	6.0
	Feb‡	783,397	3.3	1,752,788	2.4
Taipei	Dec	1,483,804	3.8	19,213,399	8.4
	Jan‡	1,560,818	15.2	19,213,399	8.4
Tokyo Narita	Dec	2,487,338	-0.1	30,409,471	1.1
	Mar‡	2,682,419	0.9	7,476,268	-1.0
ASIA PACIFIC-A	Dec	73,114,213	8.2	831,555,667	6.5
	Jan	71,949,986	12.9	831,555,667	6.5

Notes: See Master Notes, page 6. Airports with January figures show 2005 total in YTD column. *2005 unless stated otherwise. †2004. ‡2006. A = Domestic and international. Source: civil aviation departments, airports, Airports Council International.

MARKET DATA

11 Operating results of AAPA airlines, 2006

AL	SS,x1000				RPK,mn			
	Mar 06	+/-,%	YTD 06	+/-,%	Mar 06	+/-,%	YTD 06	+/-,%
BI	89	17.1	263	13.9	316	11.9	981	11.8
BR	515	7.1	1511	7.2	2039	7.1	6103	8.9
CI	788	4.5	2298	6.2	2724	5.9	7942	7.1
CX	1366	8.2	4018	10.8	5781	8.6	17081	10.1
GA	169	-12.0	498	-7.9	512	-5.4	1558	-4.7
JL	1065	-5.8	3052	-8.4	5402	-2.9	15410	-5.9
KE	889	2.8	2742	3.9	3550	6.2	10914	7.0
MH	722	-11.7	2081	-7.8	3240	3.4	9442	-10.5
NH	346	5.5	942	0.1	1598	5.5	4407	0.5
OZ	577	5.5	1749	7.0	1492	4.2	4552	5.4
PR	259	-3.4	806	4.4	1112	-7.9	3500	-0.6
MI	123	55.7	358	51.1	206	43.0	597	36.5
SQ	1478	9.6	4268	9.7	7129	15.0	20946	10.8
TG	1141	6.7	3293	9.4	4328	14.4	12710	14.7
VN	277	21.0	783	12.2	767	41.6	2184	17.1

Notes: See Master Notes, page 6. Source: Association Of Asia Pacific Airlines.

12 Operating results† of AAPA member airlines

Item	Jan 06	+/- %	Feb 06	+/- %	Mar 06	+/- %	YTD 06	+/- %
SS,mn	11.1	0.0	9.6	0.0	10.4	0.0	30.2	2.1
ASKs,bn	62.6	4.1	50.5	4.1	55.4	2.5	162.2	-1.4
RPKs,bn	47.1	5.4	37.4	5.4	41.0	4.3	120.6	0.4
Pax LF,%	75.2	0.9*	74.1	0.9*	74.0	1.3	74.3	1.3

Notes: See Master Notes, page 6. *Points. †Because some member airlines have not supplied data to AAPA, these are not complete totals; however, percentage changes have been adjusted. Source: Association Of Asia Pacific Airlines.

13 IATA travel agencies in Asia Pacific, 2005

Country	Locations	Growth %	Net sales US\$m*	Growth %	Per agency US\$m*	Growth %
Australia†	1,875	-5.0	6,916	11.3	3.69	17.1
China	4,194	8.3	8,397	16.1	2.00	7.2
Hong Kong	239	0.4	2,096	5.6	8.77	5.2
India	2,290	-7.7	2,617	22.3	1.14	32.5
Indonesia	488	9.2	929	9.0	1.90	-0.2
Japan	888	4.2	14,229	6.8	16.02	2.5
Korea	876	11.7	3,927	27.8	4.48	14.4
Malaysia	657	1.2	1,277	11.9	1.94	10.5
New Zealand†	513	-13.5	1,498	12.0	2.92	29.5
Philippines	251	2.0	778	15.5	3.10	13.2
Singapore	200	2.0	1,794	9.5	8.97	7.3
Taiwan	392	-1.0	1,833	12.9	4.68	14.1
Thailand	399	3.1	1,057	10.6	2.65	7.3
Asia Pacific	13,262	1.1	47,347	12.2	3.57	11.0
US‡	22,043	-5.5	70,529	7.0	3.20	13.2
Europe	32,006	-0.4	68,565	6.5	2.14	6.9
World	67,311	-1.9	186,441	8.1	2.77	10.1

Notes: IATA = International Air Transport Association. *Quoted in US\$. †Includes, in order as shown: Kiribati, Fiji. Source: IATA Billing & Settlement Plan, ‡Airlines Reporting Corporation.

14 International outbound sales of leading outbound travel agencies in Japan, US\$m*†

Agency	Feb 06	+/-,%	Mar 06	+/-,%	YTD 06	+/-,%
JTB	255	-1.0	311	8.6	792	10.2
Other JTB	184	11.1	234	16.4	612	68.3
HIS	173	14.4	207	17.8	524	24.8
Hankyu	150	8.5	185	8.1	459	22.2
KNT	89	-9.6	138	5.6	316	-3.3
NTA	105	8.1	115	15.9	315	16.0
NEC	72	0.3	118	1.7	259	4.7
Jalpak	60	-15.1	69	-4.9	196	-6.4
Tokyu	33	7.3	33	-1.6	88	1.5
Top 50	1501	3.6	1852	7.8	4751	11.5

Notes: JTB = (originally Japan Travel Bureau), HIS = (originally Hideo's International Services), KNT = Kinki Nippon Tourist, NEC = Nippon Express Company, NTA = Nippon Travel Agency. *Converted at US\$1 to ¥116. †Over same period, year earlier. Source: Travel Journal International.

15 Networks of computer reservations systems

System	Country
Abacus	Ww: A11000† S23300. Australia: A250. Brunei: A28 S95. HK: A870 S3210. ID: A149 S400. IN: A120 S240†. KR: A1300 S1600. MY: A533 S1636. PH: A194 S291. SG: A410 S1500. TW: A543 S1026. TH: A10.
Amadeus	Ww: A62000 S269000. Ap: A11077 S34658. Eu: A37567 S125299. Na: A5066 S11551. CN**†: A7000 S28000. HK: A100. IN: A1200† S700. NP: A50. PH: A150. TH: A500† S636. B: 386mn.
Galileo	Ww: A43000† S176100. Ap: A7250† S20708. Eu: A18300† S38596. Na: A14200† S62125. IN: A574 S717. SG: A100 S200. TH: A170 S250. B: \$345mn.
Sabre‡	Ww: A56000† S124828. Ap: A11771† S4500. Eu: A5783† S13428. Na: A17478. B: \$467mn.
Worldspan	Ww: A20000† S49500. Ap: 714. Eu: A10208† S11000. Na: A35106. US: A8560.

Notes: See Master Notes, page 6. Latest figures available; A and S dates may not be the same; †denotes later figure if not same date. ‡With Abacus. **Travel Sky Technology. A-Agencies/other outlets, Ap-Asia Pacific, B-bookings (in numbers or US\$), Eu-Europe, Na-North America, S-Screens, Ww-worldwide. Source: companies.

16 Economic indicators of major countries in Asia Pacific

Country	Forecast growth*†,% 2005	Actual growth*†,% 2006	Actual GDP growth*†,% 2005	GDP per capita,US\$	Inflation period	Growth*% 2005
Australia	2.7	3.1	Q1: 3.1	19,070	Q1:	3.0
China	8.7	8.0	Q1: 10.2	900	May:	1.4
Hong Kong	4.6	4.6	Q1: 8.2	23,260	Apr:	1.9
India	6.7	6.8	Q1: 9.3	470	Apr:	5.0
Indonesia	5.1	5.5	Q1: 4.6	680	Mar:	15.6
Japan	2.5	2.9	Q1: 3.8	32,520	Apr:	0.4
Korea	3.6	4.5	Q1: 6.1	23,260	May:	2.4
Malaysia	4.8	5.3	Q1: 5.3	3,890	Apr:	4.6
Philippines	4.7	5.0	Q1: 5.5	23,260	May:	6.9
Singapore	3.8	4.7	Q1: 10.6	20,850	Apr:	1.1
Taiwan	4.1	4.2	Q1: 4.9	23,260	May:	1.6
Thailand	4.8	5.6	Q1: 6.0	1,800	May:	6.2

Notes: See Master Notes, page 6. GDP = gross domestic product. *Over period year earlier. †Official and other estimates; 2006 and 2007 for Australia and Japan. Source: The Economist, Wall Street Journal(s).

17 Economic indicators of major visitor-producing countries for Asia, 2005

Country	GNP/GDP	Retail sales	Consumer prices	Wages/earnings
Australia	3.1 Q1	2.7 Q1	2.4 Q4	4.5 Q1
Germany	1.4 Q1	-1.0 Apr	1.7 May	1.5 Mar
Japan	3.8 Q1	-1.5 Apr	0.0 Apr	0.8 Apr
UK	2.2 Q1	3.0 Apr	1.9 May	4.6 Apr
US	3.6 Q1	4.6 Apr	2.8 May	2.6 May
Euroland	1.9 Q1	2.8 Apr	2.0 May	2.4 Q4

Notes: All figures are percentage changes, compared with one year earlier. Source: The Economist.

MARKET DATA

18 Hotels measures in Asia Pacific, April

Location	Occupancy, %				Average room rate, local				Revpar, US\$*				
	2006		2005		2006		2005		2006		2005		
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD
Auckland	74.3	80.6	77.9	84.9	170.91	103.95	117.09	116.09	116.16	77.23	94.39	90.47	98.63
Bali	47.5	39.8	52.0	50.0	725914	77.84	78.74	78.26	77.56	37.00	31.32	40.72	38.77
Bangkok-all	71.2	80.5	69.1	75.8	4357.20	105.83	111.74	93.91	104.16	75.37	89.96	64.89	78.91
U-4	71.1	80.1	68.7	72.6	3318.50	81.44	85.11	68.42	74.72	57.90	68.21	47.03	54.24
Beijing-all	82.3	69.2	87.9	73.2	1120.70	156.25	139.61	130.02	115.57	128.59	96.64	114.35	84.61
U-4	78.9	65.9	86.5	69.5	1025.06	150.92	127.70	110.91	102.67	119.06	84.13	95.94	71.32
Colombo	60.0	68.8	61.4	73.2	6801.78	62.89	66.62	68.15	70.36	37.76	45.82	41.81	51.49
Delhi	78.6	85.1	85.8	89.6	9833.34	183.95	221.70	149.78	158.65	144.56	188.67	128.46	142.10
Fiji	52.1	52.9	69.3	67.3	241.29	152.59	138.27	127.78	121.10	79.43	73.11	88.56	81.52
Goa	86.0	83.5	NA	NA	8454.14	130.72	190.61	NA	NA	112.40	159.10	NA	NA
Hanoi	84.6	80.9	NA	NA	1847759	116.63	116.08	NA	NA	98.64	93.93	NA	NA
Ho Chi Minh City	71.5	68.1	68.0	72.7	1392098	80.33	87.46	71.65	71.39	57.40	59.59	48.71	51.94
Hong Kong-all	83.9	86.9	83.3	82.6	1234.42	183.55	159.10	184.17	157.12	153.94	138.23	153.38	129.72
U-4	78.5	84.8	78.2	81.3	1265.08	194.82	163.06	192.75	144.71	152.96	138.24	150.75	117.66
Jakarta U-4	54.8	54.8	58.2	53.1	692599	71.83	75.13	83.79	83.47	39.37	41.17	48.78	44.32
Kuala Lumpur-all	75.4	74.0	73.1	74.3	324.78	88.94	87.40	72.50	71.79	67.03	64.64	52.98	53.35
Macau	78.5	73.0	73.1	70.6	779.63	101.40	97.63	86.83	93.13	79.64	71.28	63.46	65.77
Maldives	80.5	83.4	NA	NA	6911.42	546.47	539.96	NA	NA	440.03	450.57	NA	NA
Manila-all	76.5	79.3	79.0	79.4	4332.19	83.17	83.87	72.34	68.57	63.59	66.50	57.16	54.41
Melbourne-all	73.2	79.5	79.9	81.6	217.23	154.80	160.09	138.09	148.87	113.36	127.34	110.35	121.46
Mumbai	72.5	79.0	74.3	80.0	8536.03	182.95	192.46	138.88	143.29	132.65	151.99	103.23	114.66
Pattaya	72.1	80.7	62.7	76.0	2622.22	67.68	67.25	57.87	62.18	48.83	54.29	36.28	47.24
Penang	66.7	63.2	44.6	48.8	169.15	49.19	45.52	49.77	49.56	32.79	28.74	22.17	24.17
Phuket-all	67.0	67.2	41.8	44.0	4492.95	96.40	115.23	62.00	78.59	64.59	77.47	25.90	34.61
U-4	65.7	67.3	NA	NA	5580.80	136.95	143.12	NA	NA	89.96	96.36	NA	NA
Seoul	69.3	60.6	72.7	70.7	194708	200.27	200.92	193.54	185.65	138.79	121.77	140.61	131.19
Shanghai-all	74.2	65.2	82.2	73.9	1401.50	174.05	174.60	172.12	144.60	129.07	113.75	141.50	106.79
4-star	75.6	65.4	81.5	73.5	1162.13	154.32	144.77	142.69	126.66	116.59	94.67	116.25	93.07
Shenzhen	82.6	75.2	79.3	75.3	672.90	88.94	83.83	82.80	79.62	73.49	63.01	65.68	59.98
Singapore-all	76.4	78.8	81.2	79.1	230.81	136.51	142.41	104.73	103.89	104.30	112.27	85.09	82.19
U-4	75.8	79.6	84.0	82.1	221.06	132.30	136.39	122.14	119.02	100.33	108.50	102.57	97.69
Sydney-all	65.6	69.9	77.8	82.6	226.99	166.43	167.29	154.50	155.13	109.13	116.93	120.14	128.07
Taipei	69.2	73.9	72.1	74.4	4660.32	155.41	144.30	146.07	138.05	107.60	106.69	105.34	102.69
Tokyo-all	77.4	76.9	81.9	76.5	23701	192.08	202.64	254.01	252.67	148.70	155.75	208.15	193.20
4-star	78.2	77.6	NA	NA	20222	167.71	172.89	NA	NA	131.15	134.12	NA	NA
Asia Pacific-total	70.9	71.3	71.5	72.2	na	124.69	124.81	115.59	114.05	89.77	91.65	86.33	84.87

Notes: See Master Notes, page 6. Totals may be adjusted later as final figures are filed. Not all categories are shown every month; all categories available at low additional cost. L = lower 4-star, Revpar = revenue per available room, U = upper 4-star. *At exchange rate for relevant month, YTD at same month; exchange rate can be calculated by taking the ARR YTD in local currency and US\$. †4-star unless marked. ‡Unrepresentative sample for this month's figures; guide only. Source: Asia Pacific - Travel Business Analyst Asia Pacific; London - Travel Business Analyst Europe; New York - Smith Travel Research.

19 Comparison* of visitor arrival measurements

Destination	Ratio*
Australia	44
China	150
Hong Kong	100
Indonesia	49
Japan	55
Korea	45
Malaysia†	28
New Zealand	20
Philippines	28
Singapore	78
Taiwan	39
Thailand	130

Notes: *Air arrivals in latest 12-month period in comparison with Hong Kong (100); no account taken of length of stay or spending. †Excludes Sabah and Sarawak. Source: Travel Business Analyst.

20 Standardisation of visitor arrival measurements

Destination	Ratio*
Australia	99
China	14
Hong Kong	42
Indonesia	61
Japan	98
Korea	73
Malaysia†	24
New Zealand	99
Philippines	99
Singapore	72
Taiwan	99
Thailand	82

Notes: *Air arrivals as share of total arrivals. †Excludes Sabah and Sarawak. Source: Travel Business Analyst.

Trends

US travel balance of payments, US\$bn

Item	2005*	2000	1995
Arrivals spend	104	103	82
Outbound spend	96	89	60
Surplus	8	14	23

Notes: *Provisional. Source: As main table.

US slippage

Not much good news for the US from 2005 travel data. The country's travel 'surplus' (inbound spend minus outbound spend) has fallen greatly over the past 10 years. From US\$23bn to US\$8bn, see table.

Overall inbound growth was a fair 7%, but the overseas share (non Canada, Mexico) has fallen from 51% in 2000 to 44%.

TIA (Travel Industry Association of America) forecasts that this year the US should finally surpass its pre-9/11 2000 peak with 52.1mn arrivals, which would be 6% growth.

Visitor arrivals in the US

Region	2005		2000	
	No mn	Growth %	Share %	Share %
North America	27.7	7.6	56.1	49.3
Canada	14.9	7.3	30.1	28.6
Mexico	12.9	8.0	26.0	20.7
Overseas	21.7	6.7	43.9	50.7
Europe	10.3	6.5	20.9	22.6
Asia Pacific	6.9	7.3	14.0	16.2
Total	49.4	7.2	100	100

Source: US Department of Commerce, International Trade Administration, Office of Travel and Tourism Industries & Bureau of Economic Analysis.

Low-cost loss?

Three low-fare-airline (LFA) terminals may open this year in Southeast Asia.

Kuala Lumpur (initial capacity 10mn passengers) and Singapore (2.5mn) have opened. In Bangkok, the move to its new Suvarnabhumi airport (due this autumn, but far from certain) may leave the current Don Muang airport to low-fare airlines and charter flights.

But is a dedicated terminal the right answer? Singapore's experience

suggests No; only Tiger Airways operates there. Pretend-LFAs Jetstar and Valuair do not (which, incidentally, at a stroke indicates that low fares is not their prime aim – because they are paying higher handling costs per passenger at the other terminals).

Singapore will probably lift its restrictions on allowing in Malaysia-based Air Asia, but the question still remains whether LFA-terminals work. The answer is not dedicated terminals, but a system that allows airlines to pick and choose services at existing terminals.

Taj Hotels

India's Taj Hotels plans significant expansion – geographically and structurally.

Most visible has been its takeover of the iconic Pierre hotel in New York in July 2005, which had been part of the Four Seasons hotel group for 25 years. The hotel's name will be unchanged.

The task in New York is great – to increase the achieved room rate by US\$250. (We estimate current achieved rates are US\$300-350.) A US\$35mn renovation is planned – the equivalent of about US\$125,000/unit for the Pierre's 200 rooms and 80 residences.

In Australia, the group bought the 100-room W hotel in Sydney for US\$27mn (A\$36mn), renaming it Blue.

In India, the group plans to build environmentally-sustainable lodges in some of the country's (400-plus) national parks; eight lodges are planned.

Taj launched the IndiOne budget hotel concept in Bangalore two years ago. It wants to have 25 open by the end of this year. Described as a no-frills room including bathroom and

airconditioning, it does nevertheless have wifi, fridge, TV, etc. Nightly rates are generally around US\$23 (Rs1000).

Taj has raised finance for international expansion – US\$150mn, which calculates to about 1500 rooms at a cost of US\$100,000/room. Blue in Sydney was US\$270,000/room.

With these funds, it is looking to develop hotels over a wide geographical area – Australia, some Asean countries, China, Arabian Gulf, southern Africa, and the US (such as Los Angeles or San Francisco, to support its new acquisition on the east coast). Most of these hotels would probably operate under its Taj brand name.

However, partly because of all this actual and planned expansion, the company has contracted the Landor marketing company to make a study on the group's brandnames – which are currently a mix that could be confusing for the traveller.

Some published reports already indicate that Taj has plans to create a 4-star brand, keeping 'Taj' for its top-market hotels. Blue may be the first.

Amadeus; GDS-plus

Madrid-based Amadeus is moving in a way different from its main competitors – Sabre and Travelport, both US based.

Sabre is getting closer to the traveller. Travelport has been concentrating on vertical integration (as a Cendant division), although this may change under new owners.

Amadeus is concentrating on three business areas – where it started, which is in distribution via its GDS (global distribution system), but now also ecommerce systems and service for the travel industry, and the partly-related IT services for airlines.

It had an early customer in British Airways, which contracted its entire IT operation to Amadeus. This was followed by Qantas, but it has now also signed to provide IT services for Lufthansa, SAS, South African, and United.

Also, the company now has over 300 restaurants in Europe using Amadeus software. Even the Harley-Davidson bike rentals and tour company has a central reservation system developed by an Amadeus company.

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